

**REMARKS**

Claims 1-3 and 5-23 are pending. Claims 1, 2, 14, and 17 are amended herein. Claims 1-3 and 5-23 were finally rejected based on Byrne (U.S. Pat. No. 6,336,862). The Examiner has kindly indicated that she will withdraw finality and reconsider the application. The 5 Examiner's time and effort are much appreciated. Note the amendments presented herein do not raise new issues or introduce new matter because they simply make certain innate characteristics more explicit without changing the direction and/or scope of the claims.

The independent claim 1 and its corresponding system claim 17 are respectfully submitted to 10 be patentable over the closest prior art of record, Byrne, inasmuch as the steps c) and d) elementally distinguish Byrne's collateral gambling game, i.e., the Super Keno.

More specifically, the present claims recite a computer-implemented method and system of 15 conducting a reiterative betting process for investors, the computer having a betting exchange unit for performing, *inter alia*, the following steps:

- a) identifying an uncertain event having potential outcomes  $O_1, \dots, O_m$ , where  $m \geq 2$ ;
- b) initializing a first betting cycle;
- c) receiving bets  $B_1, \dots, B_m$  from the investors for each of the potential outcomes  $O_1, \dots, O_m$  during the first betting cycle to accumulate an initial bet total  $B_{tot}$ ; and
- d) issuing equal numbers  $OS(1), \dots, OS(m)$  of outcome shares such that  $OS(1)=\dots=OS(m)$ , the outcome shares corresponding to the potential outcomes  $O_1, \dots, O_m$ .

In comparison, in Byrne's invention:

1. None of the progressive linked gaming machines identify an uncertain event having potential outcomes  $O_1, \dots, O_m$  [*see also*, Reply A, page 9, lines 8-13]. Each gaming machine generates one of possible outcomes of a play cycle. The play cycle is 5 initiated by a player of that particular gaming machine.
2. None of the progressive linked gaming machines perform, *inter alia*, the claimed steps c) and d). Each gaming machine collects amounts of money bet by players at each of the machines to determine the value of a progressive jackpot [*see also*, Reply A, page 9, lines 20-22].
- 10 3. "Share" is actual money each player receives and does not correspond to potential outcomes [*see also*, Reply A, page 8, lines 5-9; page 10, lines 10-31; and page 11, lines 1-14, addressing the rejections with respect to steps d)-g) of claim 1].

Other patently distinguishable differences and nonobviousness between Byrne and the 15 claimed invention have been thoroughly discussed in the Reply A and shown by examples in the Appendix A attached thereto. The previously presented arguments are still relevant to Byrne and are therefore incorporated herein.

In sum, the claimed invention has been submitted to be new and unobvious over Byrne under 20 applicable laws [Reply A, Pages 8-14, Appendix A]. At the time of the invention, one skilled in the art would have readily recognized that Byrne's collateral Super Keno and Applicant's iterative betting are genuinely two entirely different inventions, extraneous to each other.

Absent rebuttal arguments/evidence to the contrary, claims that properly define the invention should be allowed.

The Examiner is sincerely invited to telephone the undersigned for clarifying/resolving any 5 remaining issues. Any suggested actions and/or amendments that would expedite the prosecution process and forward the present application to allowance is much appreciated.

The undersigned can be reached at 650-331-8413, 10AM-7PM PST, Monday-Friday.

Respectfully submitted,



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